

CAUSE NO. \_\_\_\_\_

BAYOU SOCIAL CLUB, LLC  
d/b/a PRIME SOCIAL

VS.

JONES WALKER, LLP

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IN THE DISTRICT COURT OF

HARRIS COUNTY, TEXAS

\_\_\_\_ JUDICIAL DISTRICT

**PLAINTIFF'S ORIGINAL PETITION**

Plaintiff, Bayou Social Club, LLC d/b/a Prime Social ("Prime Social"), files this Original Petition against Defendant Jones Walker, LLP ("Jones Walker"). In support, Prime Social will show as follows:

**A.**

**Discovery Control Plan**

Plaintiff intends to conduct discovery under Level 3 of Texas Rule of Civil Procedure 190.4 and affirmatively pleads that this suit is not governed by the expedited-actions process in Texas Rule of Civil Procedure 169 because Plaintiff seeks monetary relief over \$100,000.

**B.**

**Amount Sought**

Pursuant to Rule 47 of the Texas Rules of Civil Procedure, Plaintiff is seeking monetary relief over \$1,000,000.

**C.**

**Parties**

Plaintiff, Bayou Social Club, LLC d/b/a Prime Social is limited liability company with its principal place of business in Harris County, Texas.

Defendant Jones Walker, LLP is a limited liability partnership whose office is located in Harris County at 811 Main Street, Suite 2900, Houston, Texas 77002. Jones Walker, LLP may be served with process by serving its registered agent, Michael A. Chernekoff, in Harris County at 811 Main Street, Suite 2900, Houston, Texas 77002.

Plaintiff hereby requests that citation be issued for Defendant at the above-stated address, or wherever else Defendant's registered agent may be found, and returned to counsel for Plaintiff so that service may be accomplished via a private process server and/or the local sheriff's department.

**D.**  
**Jurisdiction**

The Court has subject-matter jurisdiction over the lawsuit because the amount in controversy exceeds this Court's minimum jurisdictional requirements.

**E.**  
**Venue**

Venue is proper in Harris County pursuant to Texas Civil Practice and Remedies Code § 15.002(a)(1) because Defendant Jones Walker, LLP rendered legal services to Plaintiff Prime Social in Harris County, Texas.

**F.**  
**Statement of Facts**

Prime Social is a premier members-only entertainment destination located at 7801 Westheimer, Houston, Texas 77063. Up until being raided earlier this year, Prime Social operated Houston's largest poker club, which houses an upscale lounge, fully stocked bar, gourmet dining, and dozens of poker tables throughout the venue. During its operations,

Prime Social proved to be a safe and comfortable place for patrons to play their favorite games such as tournament poker, live poker, backgammon, chess, cribbage, dominoes, and pool.

Prime Social opened its doors at its Westheimer location in early 2018. In an effort to ensure its ongoing operations, Prime Social retained Jones Walker to advise Prime Social regarding general legal matters and represent Prime Social in any litigation related to the operation of gaming clubs in Texas. As part of its decision to hire Jones Walker, Prime Social relied on Jones Walker's representation that its attorneys were experts in gaming law. Indeed, Jones Walker markets and maintains a "Gaming Team" of lawyers, which it represents as offering "full-spectrum legal, dispute resolution, government relations and legislative advocacy services to clients in every sector of the gaming industry." These are the services Prime Social anticipated receiving from Jones Walker.

As part of its sales pitch to Prime Social, Jones Walker represented to Prime Social representatives that it was working on an "anticipated" City of Houston ordinance for card rooms, such as the one operated by Prime Social. Jones Walker further advised Prime Social to hire its investigator who would operate as part of the legal team in assisting Prime Social in establishing the necessary protocols needed in order to obtain a license under the "coming" or "anticipated" ordinance. Based on this representation, Prime Social paid significant sums to Jones Walker's investigator, including sums Jones Walker represented would cover the license fee under the "coming" or "anticipated" ordinance.

As it turns out, there was no "coming" or "anticipated" ordinance, and there was no basis for Jones Walker to believe it was legitimate. Indeed, the "anticipated" ordinance

turned out to be nothing more than an “idea” being peddled by a separate client or acquaintance of the attorneys at Jones Walker and/or their investigator—a reality that was never disclosed to Prime Social and which resulted in substantial damages being incurred by Prime Social.

Prime Social formally terminated its relationship with Jones Walker. A short time later, it was shut down in a highly publicized raid in May 2019, while oddly, numerous other similar poker rooms in the City of Houston remained open for business. The charges against Prime Social representatives were ultimately dropped, but it was during that time that Prime Social learned that the “anticipated” ordinance for which Prime Social incurred significant fees and expenses was nothing more than a sham being peddled to Prime Social so as to generate fees for Jones Walker, its investigator and perhaps others who were involved in the scheme.

#### **G.** **Misrepresentation**

Jones Walker represented to Prime Social that a city ordinance was “coming” and that by hiring its investigator and setting up protocols consistent with the “anticipated” ordinance it would be conducting lawful operations. These representations regarding the “coming” ordinance and what was needed to comply with the “coming” or “anticipated” ordinance were material and Prime Social justifiably relied on them because Prime Social wanted to ensure Prime Social’s operations were legal and in compliance with any applicable laws, statutes, and city ordinances.

At no time did Jones Walker disclose that the “coming” or “anticipated” ordinance

was nothing more than an “idea” being peddled by a separate client and/or acquaintance of Jones Walker and/or its investigator designed to generate fees for Jones Walker, its investigator and perhaps others who may have been involved in the scheme. Whether Jones Walker’s failure to disclose was intentional or negligent, the misrepresentations and omissions proximately caused damages to Prime Social, including but not limited to the expenses incurred hiring its investigator to establish protocols for the sham ordinance.

#### **H.** **Negligence**

Prime Social and Jones Walker established an attorney-client relationship. Jones Walker breached the standard of care that arose from the attorney-client relationship by negligently advising Prime Social regarding the need to set up protocols in accordance with the “anticipated” ordinance, including the need to hire its investigator as part of the legal team to accomplish that goal. At no time did Jones Walker disclose to Prime Social the “anticipated” ordinance was nothing more than an idea being peddled by a separate client and/or acquaintance of Jones Walker or its investigator designed to generate fees for Jones Walker, its investigator and perhaps others who may have been involved in the scheme. Jones Walker’s breach of the standard of care proximately caused damages to Prime Social including, but not limited to, the expenses incurred hiring its investigator to establish protocols for the sham ordinance. Alternatively, the harm to Prime Social resulted from Jones Walker’s gross negligence, which entitles Prime Social to exemplary damages under Texas Civil Practice & Remedies Code § 41.003(a)(3).

**I.**  
**Breach of Fiduciary Duty**

As Prime Social’s general counsel, Jones Walker owed a fiduciary duty to Prime Social. Jones Walker breached its fiduciary duty to Prime Social by falsely representing that it had knowledge of a “coming” and/or “anticipated” ordinance that would govern Prime Social’s operation, and that it could help Prime Social set up proper protocols in accordance with the “anticipated” ordinance and obtain a license from the City of Houston to operate legal poker games. Jones Walker’s breach of fiduciary duty proximately caused injuries to Prime Social including, but not limited to, the expenses incurred hiring its investigator to establish protocols for the sham ordinance.

**J.**  
**Conclusion and Prayer**

For these reasons, Plaintiff Bayou Social Club, LLC d/b/a Prime Social prays that Defendant Jones Walker, LLP be cited to appear and answer herein and that Bayou Social Club, LLC d/b/a Prime Social have judgment against Jones Walker, LLP for:

- a. Actual damages;
- b. Punitive and/or exemplary damages;
- c. Pre-judgment and post-judgment interest as allowed by law;
- d. Costs of suit; and
- e. All other relief to which Plaintiff may be entitled, either at law or in equity.

Respectfully submitted,

**THE HUDGINS LAW FIRM  
A PROFESSIONAL CORPORATION**

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